

PLANNING COMMISSION GOTOMEETING ACCESS LINK

Planning Commission

Wed, Jul 7, 2021 7:00 PM - 8:00 PM (CDT)

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CITY OF WILLMAR

PLANNING COMMISSION MEETING 7:00 P.M. ON WEDNESDAY, JULY 7, 2021 VIRTUAL GOTOMEETING

Chair: Jonathan Marchand

Vice Chair: Jeff Kimpling

Members: Steven Dresler, Cletus Frank, Terry Sieck, Khalif Ahmed Bashir, Stephanie Carlson, and Justice Walker.

AGENDA

1. Call Meeting to Order
2. Minutes of June 30, 2021 meeting
3. Amin Grocery Plan Review
4. Tidal Wave Auto Spa Plan Review
5. Suite Liv'n TIF Resolution
6. Miscellany
7. Adjourn

SUBJECT TO FINAL APPROVAL FROM PLANNING COMMISSION

**WILLMAR PLANNING COMMISSION
CITY OF WILLMAR,
WEDNESDAY, JUNE 30, 2021**

MINUTES

1. The Willmar Planning Commission met on Wednesday, June 30, 2021, at 7:00 p.m. virtually via GoToMeeting.

**** Members Present:** Johnathan Marchand, Jeff Kimpling, Christina Nelson, Terry Sieck, Stephanie Carlson, Steven Dresler, Cletus Frank, and Justice Walker.

**** Members Absent:** Khalif Ahmed Bashir.

**** Others Present:** Alex Rau – Planning & Development Intern, David Ramstad – Director of Planning & Development, Robert Scott – Flaherty & Hood, Gabe Olson – AHEN, LLC, Ted Schmid – Chief Manager of Lumber One Development Company, LLC, Heidi Burton – Willmar, MN, Bill Paterson – Willmar, MN, Barbara Madsen, Aaron Backman – Executive Director of Economic Development Commission.

2. MINUTES: Minutes of the May 19, 2021, meetings were approved as presented. Motioned by Commissioner Kimpling, second by Commissioner Carlson.
3. NEW MEMBER – MR. STEVEN DRESLER: Mr. Dresler was introduced as a new member of the Planning Commission, and was unanimously affirmed to his new post. Commissioner Dresler provided some insights to his professional background in construction, and his experience working on other governmental boards.

Motion to approve by Commissioner Carlson, second by Commissioner Walker.

The motion carried.

4. Block 25 LUMBER ONE CONDITIONAL USE PERMIT FILE NO. 21-04: Staff presented a request by Lumber One Development of Avon, Minnesota for a conditional use on the property legally described as follows: North ½ of Lots 7, 8, 9, 10, 11, 12; South ½ of lots 7, 8, 9, North ½ of Lots, 7, 8, 9, 10, 11, 12. 25 ft of South ½ of lots 10, 11, 12; South 50 ft of lots 10, 11, 12.

Planning Intern Alex Rau stated the project is the first of its kind in the Renaissance Zone and the first large investment in the Central Business District in several decades. All zoning requirements are met, and sales agreements are in place. Director Ramstad stated the proposal meets the high Renaissance Zone standards of creativity, providing mixed-income housing opportunities, enhances the streetscape with significant landscaping, nearly doubles the parking capacity on the block, and fills a market-rate and urban housing gap in Willmar. EDC Director Bachman stated that as an infill project, the project significantly increases walking and cycling lifestyle in the community and fills a gap for housing in the heart of the community.

The public hearing was opened at 7:13 p.m. Bill Paterson asked if Lumber One owned or operated any other properties in the City of Willmar. Ted Schmid stated the proposal would be

Lumber One's first project in the City. There being no further questions or comments, the public hearing was closed at 7:16 p.m.

Commissioner Dresler asked how the City is supporting this Lumber One's project. Director Ramstad stated that thus far, the project has received low cost City owned land, but that the Renaissance Zone program will also provide the project with free building permits, free water access, free sewer access, TIF, and reduced utility connection fees. Director Ramstad stated that depending on the project and incentives it receives, the maximum cash value of all Renaissance Zone incentives is about \$740,000, spread out over a 15-year period.

Commissioner Dresler asked if the existing utilities are sufficient for the proposal. Director Ramstad said that City Engineering was consulted and that utilities are sufficient for the project. Mr. Schmid stated the timing of the Renaissance Zone aligned well with Lumber One's development schedule. He also mentioned that Lumber One's market survey of Willmar has illustrated a need for market rate studios and one-bedroom units. Commissioner Dresler asked what level of occupancy was needed to make the proposal financially viable. Mr. Schmid stated that Lumber One anticipates full capacity at the time of Certificate of Occupancy, but a bridge loan is also in place in the event of slower than anticipated leasing. Commissioner Dresler sought clarity on the ownership and management of the property. Mr. Schmid stated Lumber One would be solely responsible for the development and management of the proposed project and that there are no plans to sell the property.

Commissioner Frank expressed concern with the loss of the 48 parking spaces on the publicly owned parking lot purchased by Lumber One from the City of Willmar. Commissioner Frank asked if any of the project's parking spaces would be for public use. Mr. Schmid stated that it was the intention of Lumber One that parking onsite would be private parking for tenants. Commissioner Frank expressed concern that the amount of parking provided in the site plans may be inadequate for future needs and asked that the Northerly corner of the proposed site plan, which is proposed to be green space, be available for future parking expansion, if need arises. Owner/developer Schmid agreed to this as a condition of CUP approval.

Commissioner Carlson motioned to approve, second by Commissioner Sieck.

The motion carried.

The Conditional Use Permit was approved with the following conditions:

- A. Must meet or exceed all RZ requirements, including the permanent designation of 5% of units rented at 80% AMI and recorded with Kandiyohi County Recorder.
- B. The project shall meet all applicable local, state, and federal regulations.
- C. Site plans including stormwater management must be submitted to the City of Willmar and all recommendations must be followed.
- D. The green space area located in the North Easterly corner of the site plan will be reserved for the future expansion of parking in the event the need arises.

5. SUITE LIV'N CONDITIONAL USE PERMIT FILE NO. 21-02: Staff presented the Conditional Use Permit Application requested by AHEN, LLC of Willmar, MN, to construct two (2) twenty-four (24) unit multi-family structures on the property legally described as follows: the Westerly ½

of North East $\frac{1}{4}$ of NW $\frac{1}{4}$ Section 9 except North 622 ft & except South 370 ft & except East 220 ft & except West 355 ft & the Westerly 355 ft of the Fol Desk Property, West $\frac{1}{2}$ of NE $\frac{1}{4}$ of NW $\frac{1}{4}$ of Section 9 except North 622 ft & except South 370 ft & except East 220 ft.

Commissioner Carlson mentioned that she had a previous professional relationship with AEHN, LLC as a former employee, and asked if said relationship would be a conflict of interest. City Attorney Scott asked if this relationship would have any hindrance on her ability to make an impartial decision. Commissioner Carlson said that there would be no hindrance on her ability to remain impartial. Scott stated that since she no longer works for AEHN and has not for many years, and can impartially make her conclusions, there would be no need for Commissioner Carlson recuses herself.

Director Ramstad stated there has been considerable amount of public comment against the proposed project. In response, staff have created a Management Maintenance Agreement between AEHN, LLC and the City of Willmar to address property maintenance concerns of residents and the City. The agreement is a condition of the TIF Development Agreement, and therefore if AEHN, LLC had any outstanding citations at time when tax increment payments were due, the City would withhold payment until AEHN, LLC is in compliance.

City Attorney Scott presented information defining the role of the Planning Commission in reviewing Conditional Use Permits.

The public hearing was opened at 8:02 p.m.

Ms. Burton stated she has lived in the adjacent College View neighborhood for 20-years. Ms. Burton expressed that there has been some crime at the apartment buildings. Ms. Burton presented a petition to the Commission with signatures from neighboring property owners and emails expressing their concerns related to property maintenance, snow removal and general upkeep.

Ms. Burton stated she had an issue with the lighting at AEHN's existing properties that shines into the adjacent single family homes. She also pointed to inadequate fencing and that AEHN tenants were trespassing through private single family property. Moreover, she said that there is considerable noise, debris and poor general maintenance of the property.

Director Ramstad stated that many of these concerns are addressed in the Management Maintenance Agreement between AEHN and the City of Willmar. Director Ramstad asked Gabe Olson, the owner of AEHN, LLC, if fencing could be constructed between the existing and new AEHN properties and the single-family homes that are adjacent to his real estate. Mr. Olson agreed that AEHN, LLC would create a continuous fence, as the land and any obstacles allow, and at AEHN's expense.

Ms. Madsen expressed concerns with stormwater runoff and water management in the area. Director Ramstad mentioned that an environmental and stormwater management study has not yet been completed. It was suggested that compliance with them be added as a condition for approval for the Conditional Use Permit. Ms. Madsen also expressed concerns that there was not enough recreation options and trails in the neighborhood for children, pedestrians and bicycles. Commissioner Carlson suggested that a bike trail between the properties would be a welcome addition to the area. Director Ramstad suggested that recreation and trails be addressed in the forthcoming Comprehensive Plan Workgroup that Commissioner Carlson will be joining.

Mr. Paterson expressed concern with lack of fencing in existing structures owned and operated by AEHN, LLC. Mr. Paterson stated that he has also observed that AEHN, LLC does not plow snow in the winter. Director Ramstad mentioned that there were meetings between AEHN and City Engineering Department regarding snow removal, and that those issues have been addressed in the Management Maintenance Plan, which is a condition to the TIF Development Agreement.

With no further questions or comments, the public hearing was closed at 8:43 p.m.

Commissioner Kimpling motioned to approve, second by Commissioner Carlson.

The motion carried.

The Conditional Use Permit was approved with the following conditions:

- A. The use shall meet all applicable local, state, and federal regulations.
- B. Site plans, including stormwater management, must be submitted to City Engineering and all recommendations must be followed.
- C. Wetland management requirements must be met and approved by State and Local authorities.
- D. Installation of privacy fences between AEHN's property and neighboring single family home properties, including additional fencing where gaps exist to improve the separation and privacy of adjacent single family residential property.
- E. Adherence to the management maintenance plan as attached to AEHN, LLC TIF Development Agreement.
- F. Addition of shielding to lighting fixtures on exterior of the subject property and all properties facing single-family home lots.
- G. Adherence to any environmental assessment findings
- H. Landscape plans must be submitted to City Planning and all recommendations must be followed.

6. CAPITAL IMPROVEMENTS PROGRAM: Director Ramstad presented the proposed Capital Improvements Program. Staff stated that the proposed improvements are primarily maintenance oriented, with the exception of a few new civic projects. Director Ramstad said that all items align well with the Comprehensive Plan, and therefore recommended approval.

Motion to Approve by Commissioner Walker, second by Commissioner Carlson.

The motion carried.

Approved with the following conditions:

- A. Street repair and maintenance be made a priority.

B. Civic Center parking lot reconstruction and expansion be moved from 2025 to 2022/2023 as staff's determination.

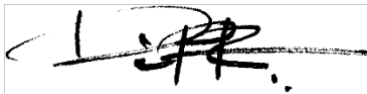
7. MISCELLANY: Director Ramstad stated a new City Planner was hired and will begin work on July 6, 2021.

Director Ramstad thanked Commissioner Nelson for her service on the Planning Commission. Commissioner Nelson is leaving the Planning Commission to relocate to Virginia.

Commissioner Walker asked how long the Commission will be virtual. Director Ramstad stated that it is up to the Commission how they would like to proceed. Chair Marchand said that further discussion on the subject will follow.

8. There being no further business to come before the Commission, the meeting adjourned at 9:35 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "D. Ramstad", is written over a horizontal line.

David Ramstad, PhD
Planning & Development Director

PLANNING COMMISSION – JULY 7, 2021

STAFF COMMENTS

1. AMIN GROCERY PLAN REVIEW FILE NO. 21-05

- Applicant is Abdiweli Yusuf of Willmar, MN
- Applicant requests a Plan Review to relocate an existing grocery store to the property legally described as: Lot 10 & West 6 inches of Lot 9, Block 30, Original Town of Willmar (430 & 432 Litchfield Ave SW).
- Amin Grocery is an established business.
- The building is an existing structure, grandfathered into setback requirements.
- Exterior renovation will add windows to the structure facing Litchfield and Benson Avenues.
- Property is zoned Central Business District (CBD) and falls within the Renaissance Zone Overlay District.
- There are no minimum parking requirements for the CBD zone.
- Existing tenants in the building (2 residential, 1 commercial) will remain.
- Three (3) additional office spaces will be added through improved space planning.
- Proposal encourages others to continue to reside in downtown Willmar.

RECOMMENDATIONS: Approve with the following conditions:

- A. Use must meet all applicable local, state, and federal regulations.

2. TIDAL AUTO SPA PLAN REVIEW FILE NO. 21-04

- Applicant is John Lapointe of Tampa, FL
- Applicant is requesting a Plan Review of Plat for the proposed boundary of a minor subdivision to construct a new car wash facility on the property legally described as: NW ¼ of the SW ¼ located in Section 23.
- Site is zoned General Business (GB).
- All setback, lot size, and width standards are met.
- Exterior façade conforms to surrounding structures of Qdoba and Walmart.
- Vehicle traffic will enter the site at two points of entry on 19th Ave and 5th St SE.
- Traffic flow will be tightly controlled within the site through signage and curbs.
- 19th Ave and 5th St SE have capacity for additional traffic.
- Willmar's Zoning Ordinance does not include minimum parking requirements for standalone car washes.
- 37 parking spaces are shown, 2 parking spaces are designated accessible.
- 35 parking spaces will be served by vehicle vacuuming systems.
- New Construction Request Form was requested by Willmar Municipal Utilities to confirm condition of existing service lines in the area.

RECOMMENDATIONS: Approve with the following conditions:

- A. Use must meet all applicable local, state, and federal regulations.
- B. Site plans must be submitted to City Engineering and Willmar Municipal Utilities and project must adhere to all requirements.

3. SUITE LIV'N TIF

- On June 30, 2021, the Planning Commission approved the Conditional Use Permit for the proposed Suite Liv'n multi-family housing project.
- The term of the proposed TIF District is 15-years from receipt of the first tax increment.
- The TIF proposal is in compliance with the City of Willmar's TIF policy.
- The TIF Plan contemplates that 90% of the projected Tax Increment Revenue will be available to reimburse the Developer for TIF eligible expenditures on a pay-as-you-go basis.
- The statutory maximum 10% of the generated TIF revenue will be retained by the City of Willmar for administrative expenses.
- Staff does not find any conflicts with Willmar's Comprehensive Plan.

RECOMMENDATIONS: Approve without conditions.



CITY OF WILLMAR

FILE #: _____

PLAN REVIEW APPLICATION

Applicant: Abdiweli Yusuf Address: 1005 6th ST SW

Phone Number: 763-744-7972 Email: qanciye12@gmail.com

Owner: D&J Nelson Properties LLC Address: PO Box 823, Willmar

Applicant's Property Interest: Purchase Agreement, Contingent on Financing &

City Approval Parcel #: 95-003-3340

Ordinance Section Number: 6.J.2.f & h Zoning District: CBD

Legal Description: Lot 10 & West 6 Inches of Lot 9, Block 30, Original Town of Willmar

The Applicant requests a plan review for the above-described property to: relocate & expand Amin Grocery Store (existing downtown business), continue current residential tenants (2) & Archery Club, and create 3 additional office spaces

What will be the impact of this use on neighborhood property values?: increase neighbor values – full occupancy of existing building

How does this use conform to the Zoning Ordinance and the Comprehensive Plan goals and objectives?: These uses fit within Central Business District intention & supports Willmar's vibrancy & economy

How will the use affect the development and improvement of other properties in the neighborhood?: Encourage others to continue to occupy downtown

Have appropriate utilities, access roads, ingress/egress, stormwater management, and traffic flow, been designed/planned for the use so as to not negatively affect the public health, safety and welfare of the neighborhood?: As an existing business, these needs are met.

How will the use "fit into" the neighborhood and be compatible with abutting properties?: Continue to provide good to the community & provides a positive image of occupied downtown buildings.

How will the uses architectural appearance, design, and function of the use conform with the surrounding built environment?: **Open façade (add windows) on Litchfield & Benson Avenues, increasing friendliness of downtown building**

Applicant's Signature:  Date: 6.23.21

(For staff use only)

Commission Date: _____

Application Fee: \$150 to City of Willmar ☐

Zoning Administrator

DECISION OF THE CITY OF WILLMAR PLANNING COMMISSION

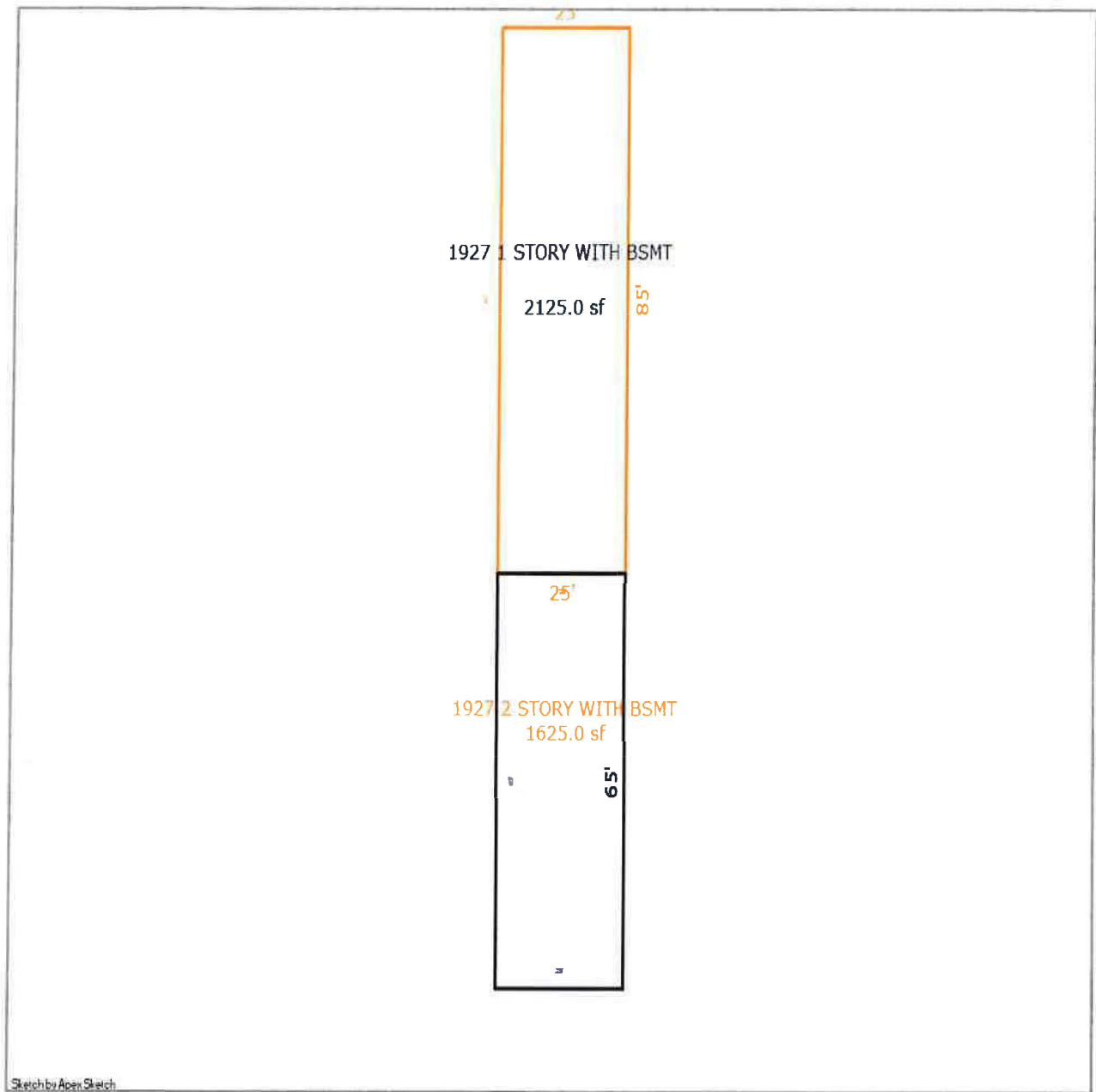
This _____ day of _____, 20____ the City of Willmar Planning Commission:

Any person aggrieved by this decision shall have the right to appeal to the District Court of Kandiyohi County.

Signed: _____

Chairperson

Zoning Administrator



Basement Rented by Archery Club

Main floor - Amin Grocery & 3 Offices spaces to be rented

2nd Story - 2 Residential Units

All 3 existing leases will be transferred at closing & retained



★ **CITY OF WILLMAR**

FILE #: _____

PLAN REVIEW APPLICATION

Applicant: John Lapointe Address: 3708 West Swann Ave. Suite 200
Tampa, FL 33609
 Phone Number: 813-690-3759 Email: jlapointe@brightworkre.com
 Owner: ODP Investments LTD Partnership Address: 8589 North Shore Dr.
Spicer, MN 56288
 Applicant's Property Interest: 500 19th Ave SE Parcel #: 95-923-8950 &
95-923-0050
 Ordinance Section Number: Ordinance 1060, Section 6-I Zoning District: GB
 Legal Description: NW¼ of the SW¼ located in Section 23, T119N-R35W, Kandiyohi
County, Minnesota

The Applicant requests a plan review for the above-described property to: Plat the proposed property boundary with a minor subdivision and construct a Tidal Wave Auto Spa development with associated parking, utility connections, and stormwater management. The existing bowling alley South of the development currently plans to renovate and remain.

What will be the impact of this use on neighborhood property values?: We believe the proposed development will increase property values and be a catalyst to additional development.

How does this use conform to the Zoning Ordinance and the Comprehensive Plan goals and objectives?: Under the Zoning Ordinance GB section, a car wash is a permitted use with plan review. The proposed development and design will conform will all zoning ordinance requirements.

How will the use affect the development and improvement of other properties in the neighborhood?: The site currently sits on an empty parking lot. The proposed car wash use will bring more value to the property, surrounding businesses, and neighborhood.

Have appropriate utilities, access roads, ingress/egress, stormwater management, and traffic flow, been designed/planned for the use so as to not negatively affect the public health, safety and welfare of the neighborhood?: Yes. A pre-application meeting with City of Willmar staff was held on May 13th, 2021 to discuss all of the above items.

How will the use "fit into" the neighborhood and be compatible with abutting properties?: The proposed car wash use fits with the surrounding commercial and restaurant uses including: Walmart, ALDI, Culver's, proposed renovated bowling alley, etc. The public will utilize this development while they're running errands in this business district.

Attachment A

How will the uses architectural appearance, design, and function of the use conform with the surrounding built environment?: It will conform with the more recent developments surrounding it including the ALDI and QDOBA.

Applicant's Signature:  BC2238FAAA5A43B... Date: 5/21/2021

(For staff use only)

Commission Date: _____

Application Fee: \$150 to City of Willmar ☐

Zoning Administrator

DECISION OF THE CITY OF WILLMAR PLANNING COMMISSION

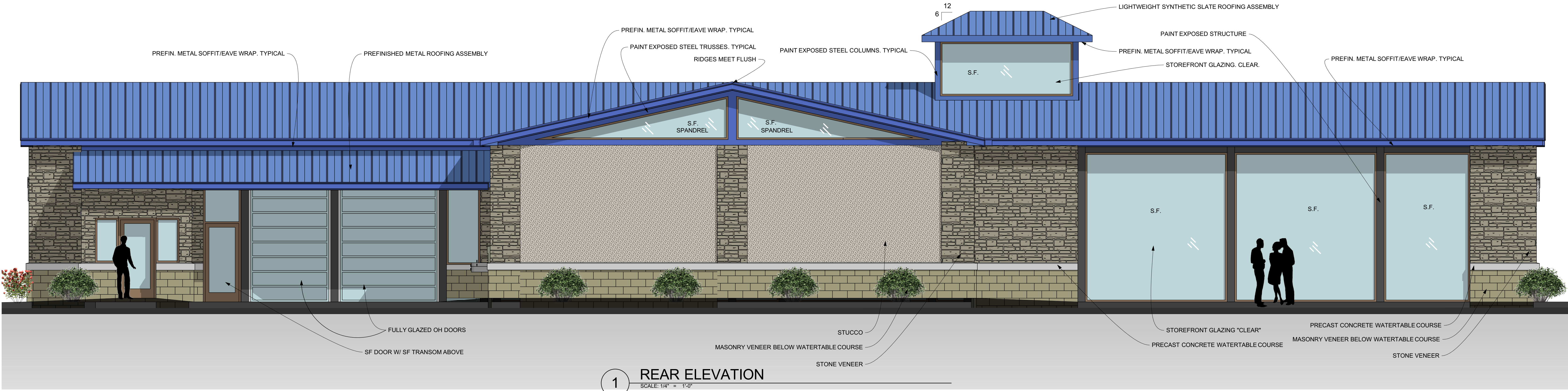
This _____ day of _____, 20____ the City of Willmar Planning Commission:

Any person aggrieved by this decision shall have the right to appeal to the District Court of Kandiyohi County.

Signed: _____

Chairperson

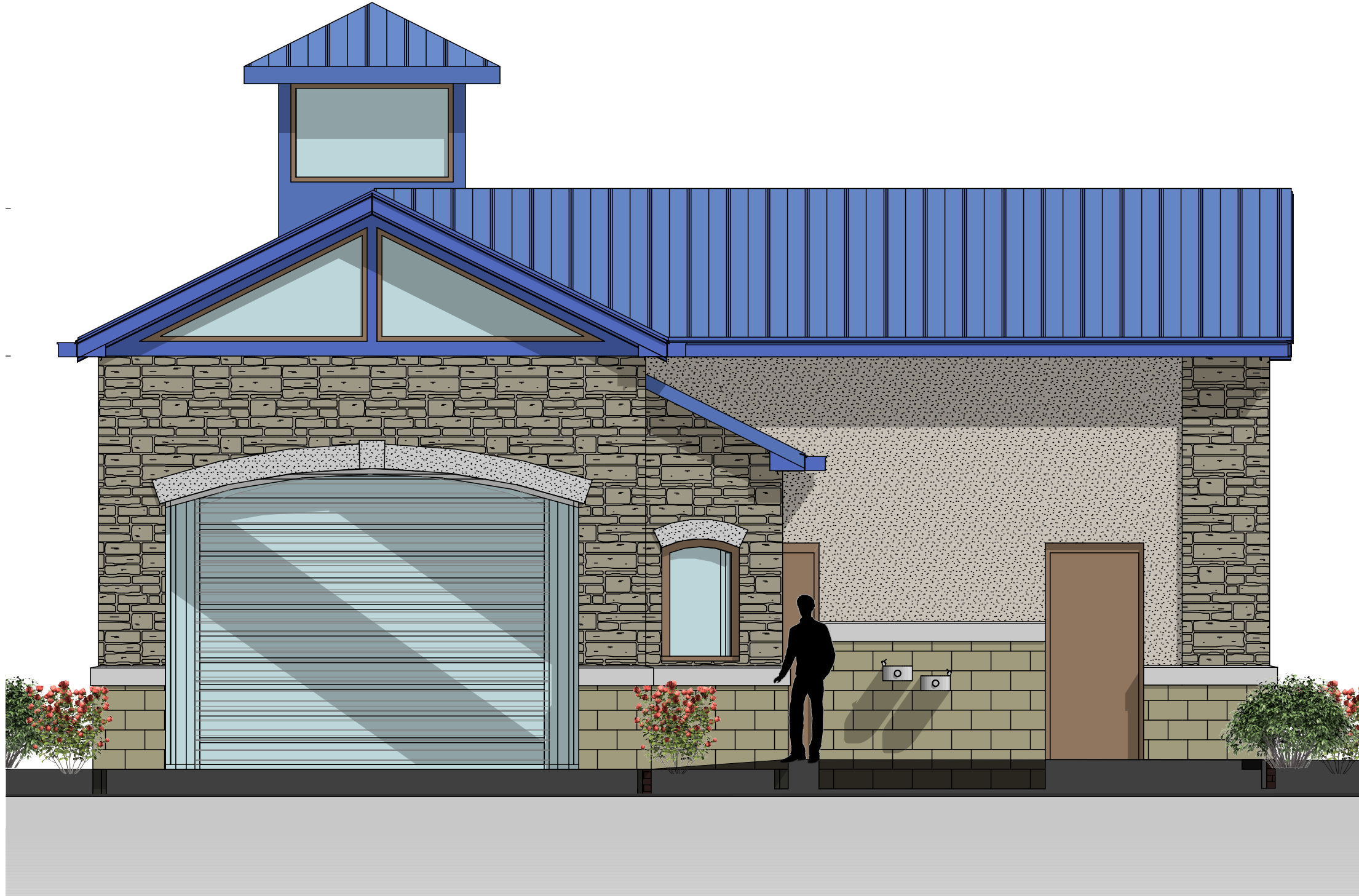
Zoning Administrator



1 REAR ELEVATION
SCALE: 1/4" = 1'-0"



2 FRONT ELEVATION
SCALE: 1/4" = 1'-0"



3 SIDE ELEVATION - ENTRY
SCALE: 1/4" = 1'-0"



4 SIDE ELEVATION - EXIT
SCALE: 1/4" = 1'-0"

M. TODD ALBRITTON
ARCHITECT
202 EAST MAIN STREET
THOMASTON, GEORGIA
30286
PH 770-550-3275
mtoddalbritionarchitect@gmail.com

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THESE DRAWINGS SHALL BE USED ON THE ORIGINAL PROJECT LOCATION ONLY AND SHALL NOT BE REUSED AT OTHER LOCATIONS.



NEW TIDAL WAVE
AUTO SPA

#####

OWNER:
TIDAL WAVE AUTO
SPA
EAST THOMPSON STREET
THOMASTON, GEORGIA
30286

MARK	DATE	DESCRIPTION

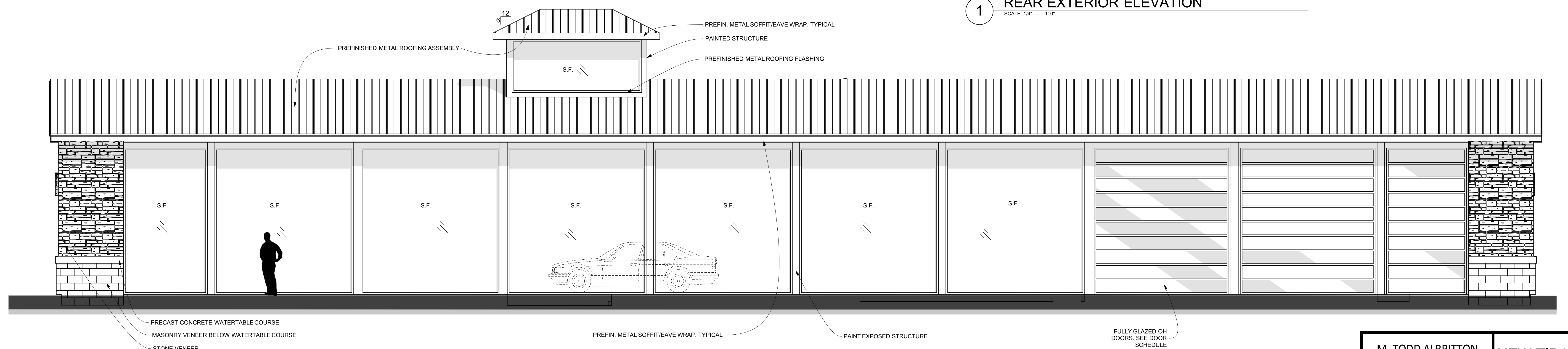
SHEET TITLE
PRELIMINARY

PROJECT DATE: #####

PROJECT NUMBER: ##

DRAWN BY: Name

PR.2

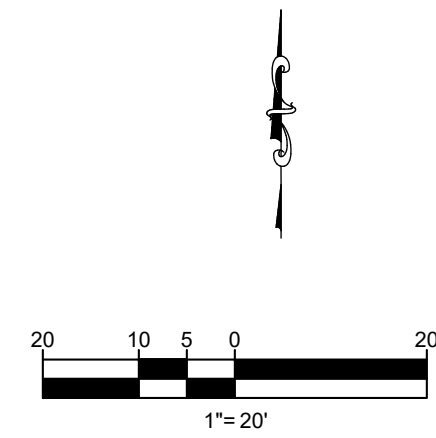
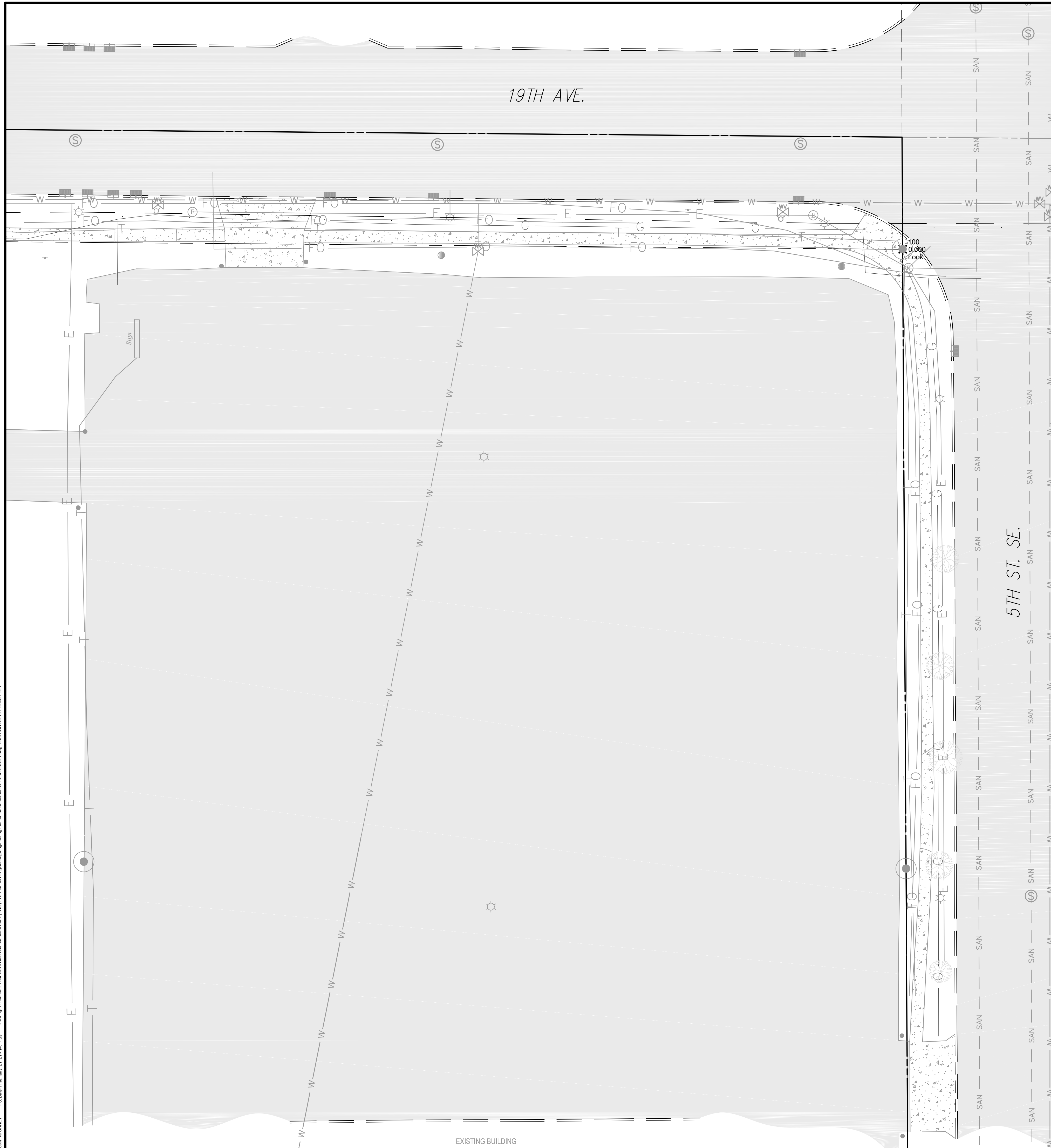


2 FRONT ELEVATION
SCALE: 1/4" = 1'-0"



4 SIDE ELEVATION - EXIT
SCALE: 1/4" = 1'-0"

NOT RELEASED FOR CONSTRUCTION



GENERAL NOTES:

1. AN EXISTING CONDITIONS / TOPOGRAPHICAL SURVEY OF THIS PARCEL HAS BEEN PREPARED BY CIVIL ENGINEERING CONSULTANTS. THERE MAY BE EASEMENTS, SETBACK LINES OR OTHER MATTERS AFFECTING THIS PROPERTY THAT ARE NOT SHOWN ON THIS SURVEY.
2. THERE ARE NO STATE WATERS LOCATED ON OR WITHIN 200' FEET OF SUBJECT PROPERTY.
3. NO ENVIRONMENTAL ASSESSMENT HAS BEEN PERFORMED BY BOWMAN.
4. THE EXISTING SITE IS A PARKING LOT.
5. THE AREA FOR THIS PROJECT IS ± 1.7 ACRES.

UTILITY NOTES:

1. THE LOCATIONS OF UNDERGROUND UTILITIES AS SHOWN HEREON ARE BASED ON ABOVE-GROUND STRUCTURES PROVIDED BY THE SURVEYOR. LOCATIONS OF UNDERGROUND UTILITIES / STRUCTURES MAY VARY FROM LOCATIONS SHOWN HEREON.
2. UNDERGROUND UTILITIES / STRUCTURES MAY BE ENCOUNTERED. NO EXCAVATIONS WERE MADE DURING THE PROGRESS OF THIS SURVEY TO LOCATE BURIED UTILITIES / STRUCTURES.
3. PRIOR TO COMMENCE ANY CONSTRUCTION ACTIVITIES, CONTRACTOR TO NOTIFY AND PROVIDE THREE WORKING DAYS NOTICE TO THE UTILITIES PROTECTION CENTER AT 811.

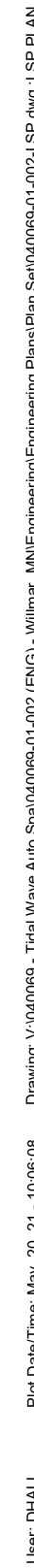
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Suite 1950
Chicago, IL 60606
Phone: (312) 614-0360
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EXISTING CONDITIONS PLAN

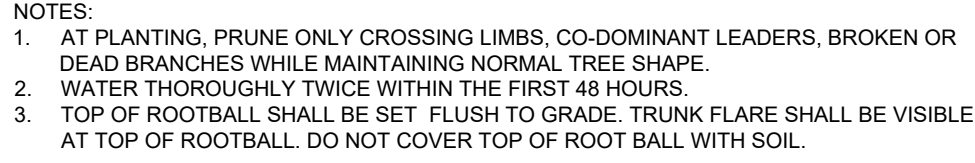
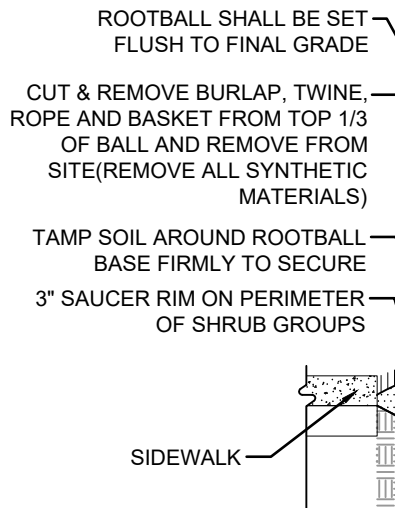
TIDAL WAVE AUTO SPA - WILLMAR, MN
500 19TH AVE, WILLMAR, MN 56201

WILLMAR, MN
KANDIYOCHI COUNTY

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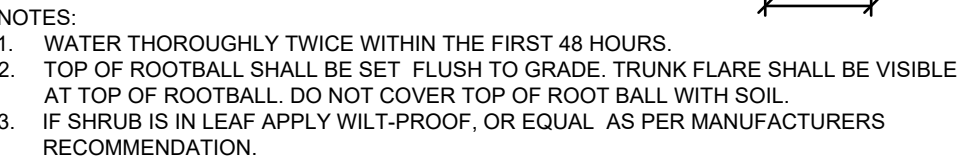


LEGEND:



NOTE:
1. LAYER OF MULCH SHALL BE PLACED DOWN BEFORE PLANTING

N.T.S.



N.T.S.

1. PLANTING.
A. ALL CONDITIONS FOR SPECIFIC LANDSCAPE PLANTING PURPOSES ONLY. EXAMINE ALL ENGINEERING DRAWINGS AND FIELD NOTES FOR SPECIFIC LOCATIONS OF UTILITIES, STRUCTURES, ETC. AND NOTIFY THE LANDSCAPE ARCHITECT IN REFERENCE TO ANY DISCREPANCIES OR LOCATION CONFLICTS PRIOR TO PLANTING INSTALLATION.
B. THE CONTRACTOR SHALL ENSURE THAT WORK DOES NOT INTERRUPT ESTABLISHED OR PROJECTED DRAINAGE PATTERNS.
C. IN EVENT OF A VARIATION IN CONDITIONS, THE CONTRACTOR SHALL NOTIFY THE LANDSCAPE ARCHITECT IN REFERENCE TO PRECEDENCE. THE CONTRACTOR IS RESPONSIBLE FOR VERIFYING ALL PLANT QUANTITIES PRIOR TO THE COMMENCEMENT OF WORK. SOO AND SEED QUANTITY TAKE-OFFS ARE THE RESPONSIBILITY OF THE CONTRACTOR. ALL DISCREPANCIES SHALL BE REPORTED TO THE LANDSCAPE ARCHITECT OR ENGINEER FOR CLARIFICATION PRIOR TO BIDDING. THE CONTRACTOR SHALL FURNISH PLANT MATERIAL IN SIZES AS SPECIFIED IN PLANT LIST.
D. PLANTS SHALL BE LOCATED AS SHOWN ON THE DRAWINGS OR AS DESIGNATED IN THE FIELD.
E. ALL PLANT MATERIAL SHALL CONFORM WITH THE "AMERICAN STANDARDS FOR NURSERY STOCK" BY AMERICAN NURSERY & LANDSCAPE ASSOCIATION (ANLA). TREES SHALL BE NURSERY-GROWN, FREE OF DISEASE, SUBSTANTIALLY UNIFORM IN SIZE AND SHAPE AND HAVE STRAIGHT TRUNKS.
F. ALL PLANTS AND PLANTERS SHALL BE PROPERLY IDENTIFIED BY WEATHERPROOF LABELS SECURELY ATTACHED THERE TO, BEFORE DELIVERY TO PROJECT. ALL LABELS SHALL IDENTIFY PLANTS BY SPECIES AND SIZE. LABELS SHALL NOT BE REMOVED UNTIL THE FINAL INSPECTION BY THE LANDSCAPE ARCHITECT OR ENGINEER.
G. ANY MATERIAL AND/OR WORK MAY BE REJECTED BY THE LANDSCAPE ARCHITECT OR ENGINEER IF IT DOES NOT MEET THE REQUIREMENTS OF THE SPECIFICATIONS. ALL REJECTED MATERIAL SHALL BE REMOVED FROM THE SITE BY THE CONTRACTOR.
H. PLANT SUBSTITUTIONS SHALL BE PERMITTED ONLY WITH WRITTEN CONSENT OF THE OWNER OR LANDSCAPE ARCHITECT RELATIVE TO SIZE, SPECIES AND VARIETY. ALL PLANT MATERIAL SHALL BE TRUE TO SPECIES, VARIETY, SIZE AND BE CERTIFIED DISEASE AND PEST FREE. ALL PLANTS MUST BE GUARANTEED FOR A PERIOD OF 12 MONTHS.
I. ALL PROPOSED TREES TO BE INSTALLED ENTIRELY IN OR ENTIRELY OUT OF PLANTING BEDS. PLANTING BED LINES ARE NOT TO BE OBSTRUCTED. ALL SHRUBS AND GROUND COVER AREAS SHALL BE PLANTED IN CONTINUOUS PREPARED BED AND TOP DRESSED WITH A 3 INCH LAYER OF SHREDED HARDWOOD MULCH. MULCH SHALL HAVE BEEN SHREDED WITHIN THE LAST SIX MONTHS.
J. TRANSPORTING.
K. ALL PLANTS SHALL NOT BE DUG FOR TRANSPORTING BETWEEN APRIL 10 AND JUNE 30.
L. ALL PLANTS SHALL BE DUG WITH INTACT ROOT BALLS CAPABLE OF SUSTAINING THE PLANT.
M. IF PLANTS ARE TO BE STOCKPILED BEFORE REPLANTING, THEY SHALL BE HEADED IN WITH MULCH OR SOIL, ADEQUATELY WATERED AND PROTECTED FROM EXTREME HEAT, SUN AND WIND.
N. DUG AND REPLANTING TREES SHALL BE AMENDED WITH FERTILIZER AND ROOT GROWTH HORMONE.
O. TREES PLANTS SHALL BE GUARANTEED FOR THE LENGTH OF THE GUARANTEE PERIOD SPECIFIED HEREIN.
P. IF TREES PLANTS DIE, SHRUBS LESS THAN SIX INCHES (6") DBH SHALL BE REPLACED IN KIND.
Q. BULBS SHALL BE PLANTED IN ACCORDANCE WITH SECTION 11 OF THE ANLA STANDARDS.
R. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION AND CONDITIONS OF ALL TREES AND SHRUBS AND SHALL BE LEGALLY LIABLE FOR ANY DAMAGE CAUSED BY INSTABILITY OF ANY PLANT MATERIALS. STAKING OF ALL TREES SHALL BE DONE AS INDICATED ON THE DOCUMENTS.
S. ALL STAKES AND BRIDLES SHALL BE REMOVED BY THE APPLICANT AFTER ONE (1) YEAR FROM THE DATE OF INSTALLATION.
T. VEGETATION PROPOSED AMONG EXISTING VEGETATION IS TO BE PLANTED TO AVOID DAMAGE TO THE EXISTING VEGETATION.
U. ALL STREET TREES AND SHADE TREES PLANTED NEAR PEDESTRIAN OR VEHICULAR ACCESS SHOULD NOT BE BRANCHED LOWER THAN 7' ABOVE GRADE.
V. MAIN PLANT POINTS LOCATED OUT OF PLANTING BEDS AT A MINIMUM 2% SLOPE. ALL GRADES, DIMENSIONS AND EXISTING CONDITIONS SHALL BE VERIFIED BY THE CONTRACTOR ON SITE BEFORE CONSTRUCTION BEGINS. ANY DISCREPANCIES SHALL BE BROUGHT TO THE ATTENTION OF THE LANDSCAPE ARCHITECT, ENGINEER OR OWNER.
W. ALL PLANTING MATERIAL SHALL BE PROTECTED FROM DAMAGE BY SHREDDING OR REMOVAL OF PROHIBITIVE FABRIC BENEATH.
X. PLANT MATERIALS SHALL NOT BE INSTALLED UNTIL FINISHED GRADING HAS BEEN COMPLETED.
Y. UPON COMPLETION OF ALL LANDSCAPING, AN ACCEPTANCE MEETING OF THE WORK SHALL BE HELD. THE CONTRACTOR SHALL NOTIFY THE LANDSCAPE ARCHITECT OR ENGINEER OR OWNER FOR SCHEDULING THE INSPECTION AT LEAST SEVEN (7) DAYS PRIOR TO THE ANTICIPATED COMPLETION DATE.
Z. ALL TREES SHALL BE GUARANTEED FOR 24 MONTHS FROM TO DATE OF ACCEPTANCE. ALL SHRUBS AND GROUND COVERS SHALL BE GUARANTEED FOR 24 MONTHS FROM THE DATE OF ACCEPTANCE. REPLACEMENT PLANTS USED SHALL BE GUARANTEED FOR AN ADDITIONAL 90 DAYS.
AA. PLANTING DATES:
FALL
AUGUST 15 - DECEMBER 31 EVERGREEN TREES
OCTOBER 15 - DECEMBER 15 DECIDUOUS TREES
SPRING
MARCH 1 - MAY 15 ALL PLANTS

LAWN:

1. DISTURBED AREA OF THE SITE NOT PLANTED WITH SHRUBS OR GRASS SPECIES SHALL BE FINE GRADED AND SEEDED OR SOODED WITH A GRASS SEED MIXTURE. THE SEEDING SHALL BE DONE IMMEDIATELY AFTER THE PAVING OR A STREET ARE REQUIRED TO BE FULLY COMPLETED. ALL OTHER LANDSCAPE AREAS TO RECEIVE SEED.
2. ALL PLANTING BEDS SHALL BE FILL WITH A SPECIFIC BLEND 1:4 TO 1:15 OF THE SEED MIXTURE TO BE ANNUAL RYE TO 10 IN LIMITING EROSION OF PERENNIAL SEED DURING GERMINATION.
3. MAINTENANCE SHALL BEGIN IMMEDIATELY AFTER SODDING. WATER REGULARLY TO KEEP LAWN AREAS MOIST TO MAXIMIZE SEED GERMINATION. MAINTENANCE SHALL BE REQUIRED TO MAINTAIN THE LAWN AREAS TO THE HIGHEST POSSIBLE QUALITY TO THE STORE POSSESSION DATE, FREE OF ERODED OR BARE AREAS.
4. ALL SOD SHALL BE OBTAINED FROM AREAS HAVING GROWING CONDITIONS SIMILAR TO AREAS TO BE COVERED. AREAS TO BE COVERED SHALL BE RECORDED AND IDENTIFIED. ALL PLANTS LESS THAN 1 INCH IN DIAMETER SHALL BE REMOVED FROM THE SITE. ALL DAMAGED SOD WILL BE REJECTED. ALL SOD MUST BE PLACED WITH STAGGERED JOINTS, BUTTED WITH NO INEQUALITIES.
5. ALL GRASS AND ALL SOD JOINTS AT RIGHT ANGLES TO THE DRIVE SHALL BE STAGGERED.
6. ALL PLANTING BEDS ADJACENT TO LAWN AREAS (SOD OR SEED) SHALL BE SPADE DEEDED.

SOILS:

2. CONTRACTOR SHALL PROVIDE CERTIFIED SOIL TEST OF EXISTING ON-SITE SOILS TO BE USED AS PART OF PLANTING BACKFILL MIXTURE. CONTRACTOR SHALL SUBMIT RESULTS TO THE CITY ENGINEER FOR REVIEW AND APPROVAL.
3. PLANT BACKFILL MIXTURE: CERTIFIED PLANT PITS WITH A MIXTURE OF TOPSOIL AND SOIL AMENDMENTS. AMENDMENTS SHALL BE ADDED AS RECOMMENDED BY CERTIFIED SOIL TEST.
4. CONTRACTOR SHALL SUBMIT A PLANTING SCHEDULE TO PROPOSED DEPTHS AS FOLLOWS: TREES (24 INCH MINIMUM OF PLANTING BACKFILL MIXTURE), SHRUBS (18 INCH MINIMUM OF PLANTING BACKFILL MIXTURE), PERENNIALS AND GROUND COVER (12 INCH MINIMUM OF PLANTING BACKFILL MIXTURE).
5. CONTRACTOR SHALL EXCAVATE AN ADDITIONAL 12" AND THE ADDITIONAL AREA FILLED WITH SAND.
6. IMPORTED OR ON-SITE TOPSOIL MAY BE USED TO REFILL THE EXCAVATED AREA. TOPSOIL FROM THE SITE MAY BE REJECTED IF IT HAS NOT BEEN TESTED FOR CONTAMINATION AND PROTECTED PRIOR TO CONSTRUCTION. CONTRACTOR SHALL FURNISH TO THE CITY ENGINEER AN ANALYSIS OF BOTH IMPORTED AND ON-SITE TOPSOIL TO BE UTILIZED IN ALL PLANTING AREAS.
7. CONTRACTOR TO MODIFY THE SOIL AS DEEPTO MEET REQUIRED PH P AND NUTRIENT LEVELS.
8. CONTRACTOR SHALL REMOVE ALL EXISTING CONSTRUCTION MATERIALS AND SCARIFY/RY REMAINING SOIL TO A DEPTH OF 24", INCLUDING A MINIMUM OF 6" THICK TOPSOIL.
9. ALL AREAS, WHICH ARE TO BE SEEDDED, SHALL RECEIVE 5" OF TOPSOIL PRIOR TO SEEDING. PRIOR TO TOPSOIL PLACEMENT THE CONTRACTOR SHALL REMOVE ALL EXISTING CONSTRUCTION MATERIALS SUCH AS WOOD, STONES, ROCKS, CONSTRUCTION DEBRIS, ETC. LARGER THAN TWO (2) INCHES IN ANY DIMENSION. TOPSOIL SHALL BE SANDY LOAM FREE FROM ROCKS, STONES, LAMINATED CLAY, OR OTHER UNDESIRABLE MATERIAL. CONTAIN 5% ORGANIC MATTER, 6.0 TO 6.5 PH. TOPSOIL SHALL NOT BE WORKED IN MUDDY OR WET CONDITIONS.
10. TOPSOIL AND SEED OR AREAS DISTURBED AS A RESULT OF ANY AND ALL CONSTRUCTION DISTURBANCES AND STORAGE OF MATERIALS SHALL BE RESEED OR AREAS SHALL BE RESEED. THE SOILS ON SITE ARE ACCEPTABLE FOR THE PROPER GRASS SEED PRIOR TO SUBMITTING A BID.
11. THE CONTRACTOR IS RESPONSIBLE FOR TESTING PROJECT SOILS. THE CONTRACTOR IS TO PROVIDE A CERTIFIED SOIL TEST REPORT TO THE CITY ENGINEER FOR REVIEW AND APPROVAL.
12. CONTRACTOR SHALL SUBMIT A PLANTING SCHEDULE TO PROPOSED PLANT MATERIAL. SHOULD THE CONTRACTOR FIND POOR SOIL CONDITIONS, THE CONTRACTOR SHALL BE REQUIRED TO OBTAIN AMENDMENTS TO BE ADDED TO THE SOIL. THE AMENDMENTS SHALL BE LIMITED TO FERTILIZERS, LIME, AND TOPSOIL. PROPER PLANTING MATERIALS SHALL BE VERIFIED PRIOR TO PLANTING OF MATERIALS.
13. ALL PLANTING AREAS WITH EXISTING ASPHALT PAVEMENT AREAS SHALL BE DECOMPACTED A MINIMUM DEPTH OF 24 INCHES PRIOR TO PLANTING. CONTRACTOR SHALL REMOVE ALL EXISTING CONSTRUCTION MATERIALS AND SCARIFY/RY REMAINING SOIL TO A DEPTH OF 24". TAKE CARE TO NOT RIP SOIL WITHIN THE DRIP LINE OF EXISTING TREES.

IRRIGATION

36. ALL LANDSCAPE AREAS AND LAWNS ADJACENT TO PAVED AREAS AND/OR STREETS ARE TO BE FULLY IRRIGATED
37. IRRIGATION SYSTEM TO INCLUDE ALL SPRAY HEADS, VALVES AND CONTROLLERS.
38. A SEPARATE METER AND BACKFLOW PREVENTOR WILL BE REQUIRED.
39. CONTRACTOR SHALL BE RESPONSIBLE FOR DESIGN OF THE IRRIGATION SYSTEM

COORDINATION

- THE CONTRACTOR SHALL COORDINATE WITH LIGHTING CONTRACTOR (WHEN / WHERE APPLICABLE) REGARDING TIMING OF ANY LIGHTING OR IRRIGATION PLANT MATERIALS TO BE INSTALLED.
- THE CONTRACTOR SHALL VERIFY THE EXISTENCE OF UNDERGROUND UTILITIES ON THE SITE THREE (3) DAYS PRIOR TO ANY EXCAVATION. THEIR EXACT LOCATION SHALL BE VERIFIED IN THE FIELD WITH THE OWNER OR GENERAL CONTRACTOR PRIOR TO ANY EXCAVATION. ANY DISCOVERY OF UNDERGROUND UTILITIES NOT DISCOVERED BY THE CONTRACTOR SHALL BE THE RESPONSIBILITY FOR ALL DAMAGE TO THE UTILITIES AND SUCH DAMAGE SHALL NOT RESULT IN ANY ADDITIONAL EXPENSES TO THE OWNER. ANY DAMAGE OF UNREPORTED LINES SHALL NOT BE THE RESPONSIBILITY OF THE CONTRACTOR.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROTECTION OF ALL EXISTING UTILITIES. NO DAMAGE TO BE MADE BY THE CONTRACTOR WITHOUT ADDITIONAL COMPENSATION. NO CHANGES OF LOCATION SHALL BE MADE WITHOUT APPROVAL OF THE LANDSCAPE ARCHITECT OR ENGINEER.
- INSTALLATION.**
- ALL EQUIPMENT AND TOOLS SHALL BE PLACED SO AS NOT TO INTERFERE OR HINDER THE PEDESTRIAN AND VEHICULAR TRAFFIC ON THE SITE.
- DURING PLANTING OPERATIONS EXCESS WASTE MATERIALS SHALL BE PROMPTLY AND FREQUENTLY REMOVED FROM THE SITE. EVERY POSSIBLE SAFEGUARD SHALL BE TAKEN TO PROTECT BUILDING SURFACES, EQUIPMENT, AND FURNISHING. THE CONTRACTOR SHALL BE RESPONSIBLE FOR ANY DAMAGE OR INJURY TO PERSON OR PROPERTY WHICH MAY OCCUR AS A RESULT OF HIS NEGLIGENCE DURING THE EXECUTION OF THE WORK.
- MAINTENANCE SHALL BEGIN AFTER EACH PLANT HAS BEEN INSTALLED AND SHALL CONTINUE UNTIL 90 DAYS AFTER FINAL PLANTING. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE MAINTENANCE WHICH INCLUDES WATERING, PRUNING, FERTILIZING, WEEDING, MULCHING, REPLACEMENT OF DISEASED OR DEAD PLANTS, AND ANY OTHER CARE NECESSARY FOR THE PROPER GROWTH OF THE PLANT MATERIAL. THE CONTRACTOR MUST BE ABLE TO PROVIDE CONTINUED MAINTENANCE IF REQUESTED BY THE OWNER. THE CONTRACTOR SHALL BE RESPONSIBLE FOR THE PROPER CARE AND MAINTENANCE OF THE PLANT MATERIALS. WATERING SHALL BE PROVIDED TO ENSURE THE ESTABLISHMENT, GROWTH AND SURVIVAL OF PLANTS.

N.T.S.



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MEMORANDUM

TO: Mr. David Ramstad, City of Willmar

FROM: Tom Denaway, Baker Tilly

DATE: July 7, 2021

SUBJECT: Planning Commission Review: Proposed Housing TIF District – Suite Liv’n Ridgewater Site

At the request of the City we have prepared the following overview for the Planning Commission to review of the Proposed TIF Plan for Housing TIF District – Suite Liv’n Ridgewater Site.

Minnesota Statute 469.175 Subdivision (3) outlines a number of findings that a municipality must make in order to approve the creation of a TIF District. One of the specific findings outlined in this section is, *“that the tax increment financing plan conforms to the general plan for the development or redevelopment of the municipality as a whole.”* In order to comply with this requirement Cities typically ask their Planning Commission to review the proposed TIF Plan, and the development described within, and confirm by resolution the finding that the proposed development conforms to the comprehensive plan of the City.

Included for the Planning Commission’s review are the proposed Tax Increment Housing TIF District Plan and the resolution approving conformity. The Planning Commission is being asked to review the provided documents, and upon concluding the proposed construction of approximately 72 new apartment units within four new buildings to be in accordance with the comprehensive plan to make the finding through adoption of the included resolution.

Thank you for the opportunity to assist the City of Willmar. Please contact me at 651-223-3075 or tom.denaway@bakertilly.com with any questions or to discuss.

RESOLUTION OF THE PLANNING COMMISSION FINDING THE TAX INCREMENT
FINANCING PLAN FOR HOUSING TAX INCREMENT FINANCING DISTRICT – SUITE
LIV’N RIDGEWATER SITE CONFORMS TO THE CITY PLANS FOR DEVELOPMENT OR
REDEVELOPMENT OF THE CITY AS A WHOLE

WHEREAS, the City of Willmar, Minnesota (the "City"), has prepared a Tax Increment Financing Plan (the "TIF Plan") for Tax Increment Financing Housing District – Suite Liv’n Ridgewater Site within Municipal Development District No. II and has submitted the TIF Plan to the City Planning Commission pursuant to Minnesota Statutes, Section 469.126 and Section 469.175, Subdivision 3, and

WHEREAS, the Planning Commission has reviewed the TIF Plan to determine conformity to the general plan for the development or redevelopment of the City as a whole; and

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission that the proposed the TIF Plan conforms to the general plan for the development or redevelopment of the City as a whole and the Planning Commission recommends the finding that the TIF Plan conforms to the general plan for the development or redevelopment to the City Council of the City of Willmar for its approval.

Approved by the Planning Commission of the City of Willmar, this 7th day of July, 2021.

Chair
Planning Commission of the
City of Willmar, Minnesota

City of Willmar, Minnesota

Tax Increment Financing Plan

for

**DRAFT: Tax Increment Financing (Housing) District
Suite Liv'n Ridgewater Site**

within Municipal Development District No. II

Dated: June 4, 2021

Public Hearing Scheduled: July 6, 2021



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Section A Definitions

The terms defined in this section have the meanings given herein, unless the context in which they are used indicates a different meaning:

"City" means the City of Willmar, Minnesota; also referred to as a "Municipality".

"City Council" means the City Council of the City; also referred to as the "Governing Body".

"County" means Kandiyohi County, Minnesota.

"Development District" means Municipal Development District No. II in the City, which is described in the corresponding Development Program.

"Development Program" means the Development Program of the Development District.

"School District" means Independent School District No. 347, Minnesota.

"State" means the State of Minnesota.

"TIF Act" means Minnesota Statutes sections 469.174 through 469.1794, both inclusive.

"TIF District" means Tax Increment Financing (Housing) District Suite Liv'n Ridgewater Site.

"TIF Plan" means the tax increment financing plan for the TIF District (this document).

Section B Statutory Authorization

Within the City, there exists areas where public involvement is necessary to cause development or redevelopment to occur. To this end, the City has certain statutory powers pursuant to M.S. Sections 469.175 to 469.1794 inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project. Other relevant information is contained in the Development Program for Municipal Development District No. II.

Section C Statement of Objectives

The City seeks to achieve the following objectives through the implementation of the Development Program for Municipal Development District No. II (M.D.D.II):

- a. To encourage planning and development of a desirable and unique character within M.D.D. II through qualify land use alternatives and design quality in new buildings, in a manner consistent with the Comprehensive Plan of the City and with a minimum adverse impact on the environment.
- b. To acquire certain property within M.D.D. II which is not now in productive use or in its highest and best use, as the need arises, and to prepare the property for private development.
- c. To sell improved property to private developers to encourage redevelopment and increase the tax base of those taxing jurisdictions within which the District is located, thereby enabling such entities to better pay for governmental services and programs provided by them.

- d. To provide for financing and construction of public improvements and facilities within M.D.D. II in order to effectively service new development in and about the Development District.
- e. To provide promotional sales effort which will encourage private investments within the Development District.
- f. To support the redevelopment of substandard and underutilized properties in the Development District.

Section D Designation of Tax Increment Financing District as a Housing District

Pursuant to the TIF Act, the City seeks to create the TIF District and adopt a TIF Plan for the TIF District.

The TIF District is a Housing District. Housing Districts are a type of tax increment financing district that consist of a project intended for occupancy, in part, by persons or families of low and moderate income. Low and moderate income is defined in federal, state and municipal legislation. A project does not qualify if more than 20% of the square footage of buildings that receive assistance from tax increments consist of commercial, retail or other nonresidential use.

In addition, housing districts are subject to various income limitations and requirements for residential property. For owner-occupied residential property, 95% of the housing units must be initially purchased and occupied by individuals whose family income is less than or equal to the income requirements for qualified mortgage bond projects under section 143(f) of the Internal Revenue Code. For residential rental property, the property must satisfy the income requirements for a qualified residential rental project as defined in section 142(d) of the Internal Revenue Code.

The TIF District meets the above qualifications for these reasons:

1. The planned improvements consist of the following:
 - a. Approximately 72 total units, for which the following will apply:
 - o 72-unit housing apartment complex where at least 40% (29) of the rental units will be occupied by persons with incomes no greater than 60% of the area median income
2. At least 80% of the proposed development will be used for residential purposes.
3. The City will require in the development agreement that the income limitations for the rental units in the apartment project will apply for the duration of the TIF District.

Tax increments derived from a housing district must be used solely to finance the cost of housing projects as defined in sections 469.174, subdivision 11 and 469.176 of the TIF Act. The cost of public improvements directly related to housing projects and the allocated administrative expenses of the City may be included in the cost of a housing project. The City anticipates using tax increment revenues to finance a portion of the extraordinary costs associated with providing the affordable housing units.

Section E Duration of the TIF District

Housing districts may remain in existence 25 years from the date of receipt of the first tax increment. Modifications of this Plan (see Section AA) shall not extend these limitations.

Pursuant to Minnesota Statutes section 469.175, subdivision 1(b), the City specifies 2024 as the first year in which it elects to receive tax increment from the TIF District, which is no later than four years following the year of approval of the TIF District. Thus, the City may collect increment from the district through December 31, 2049 as the maximum duration allowed. The City anticipates that the TIF District will be in

place for a shorter duration of only 15-years (through 2038) but reserves the right for the District to be in place for the maximum statutory duration. All tax increments from taxes payable in the year the TIF District is decertified shall be paid to the City.

Section F Property to be Included in the TIF District

The TIF District is an approximately 7.14-acre area of land located within the Development District. The total area of the TIF District also includes adjacent streets and right-of-way located within the Development District. A map showing the location of the TIF District is shown in Exhibit I. The boundaries and area encompassed by the TIF District are described below:

Parcel Number	Legal Description
95-909-0120	THE S 370' OF W1/2 OF NE1/4 OF NW1/4 EXC E 220'
95-909-0112	THE W ½ OF NE1/4 OF NW1/4 OF SEC9 EXC N 622' & EXC S 370' & EXC W'LY 355'
95-909-0113	THE W'LY 355' OF THE FOL DESC PROPERTY: W1/2 OF NE1/4 OF NW1/4 OF SEC 0 EXC N 622' & EXC 370' & EXC E 220'

The area encompassed by the TIF District shall also include all street or utility rights-of-way located upon or adjacent to the property described above, as illustrated in the boundary map included in Exhibit II.

Section G Property to be Acquired in the TIF District

The City may acquire and sell any or all of the property located within the TIF District; however, the City does not anticipate acquiring any such property at this time.

Section H Specific Development Expected to Occur Within the TIF District

The proposed project will include the development of approximately 72 new apartment units, split between four new buildings on the approximately 7.14-acre development site. The development is anticipated to include the development of two new 3-story 12-unit buildings and two new 24-unit 3-story buildings, resulting in a total of 72 new one- and two-bedroom apartment units. Parking for the development will be on surface lots.

In order to comply with the requirements of a Housing TIF District, at least 40% of the units will be occupied by persons with no greater than 60% of the area median income. The City anticipates using tax increment to finance eligible costs associated with development of the project site including land acquisition, site improvements, public improvements, and costs associated directly with the development of affordable housing improvements, as well as related administrative expenses.

Construction of the new development on the project site is projected to start in 2022 and is expected to be fully constructed by December 31, 2022 and be 100% assessed and on the tax rolls as of January 2, 2023 for taxes payable 2024.

Section I Findings and Need for Tax Increment Financing

In establishing the TIF District, the City makes the following findings:

- (1) The TIF District qualifies as a housing district.

See Section D of this TIF Plan for the reasons and facts supporting this finding.

- (2) The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future.

The proposed development is expected to consist of approximately 72 total apartment units. The City's finding that the proposed development would be unlikely to occur solely through private investment within the reasonably foreseeable future is based on an analysis of the project pro forma and other materials submitted to the City by the developer. These documents have indicated that the reduction in annual revenues due to the lower rents associated with providing affordable housing units will result in returns that are not sufficient to support development and an operating cashflow insufficient to meet expected financing requirements, thereby making this housing development infeasible without public assistance. Therefore, the developer has indicated in communications with the City and submitted financial data that the development as proposed would not move forward without tax increment assistance.

- (3) The TIF Plan conforms to the general plan for development or redevelopment of the City as a whole.

The reasons and facts supporting this finding are that the City Council of the City has found the TIF Plan consistent with the general plan for development of the City as a whole and will generally complement and serve to implement policies adopted in the City's comprehensive plan.

- (4) The TIF Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development of the Development District by private enterprise.

Through the implementation of the TIF Plan, the City will provide an impetus for an affordable apartment complex, which complements the overall housing needs of the City and helps support other private types of development by providing a range of housing opportunities for residents and workers within the City.

Section J Estimated Public Costs

The estimated public costs of the TIF District are listed below. Such costs are eligible for reimbursement from tax increments of the TIF District.

TIF eligible costs related to acquisition, site improvements/preparation costs, utilities, public improvements, and other TIF eligible expenditures	\$1,490,100
Administrative expenses	<u>\$165,570</u>
Estimated Tax Increment Project Costs	\$1,655,670

The City anticipates using tax increment to the extent available to finance land acquisition, site improvement/preparation costs, utilities, public improvements and related administrative expenses, as well as other TIF-eligible expenditures as deemed necessary and related to development of the project site.

The City reserves the right to administratively adjust the amount of any of the items listed above or to incorporate additional eligible items, so long as the total estimated public cost (\$1,655,670) is not increased. The City also reserves the right to fund any of the identified costs with any other legally available revenues, such as grants and/or loans, but anticipates that such costs will be primarily financed with tax increments.

Section K Estimated Sources of Revenue

Tax Increment revenue (Net of OSA Deduction)	\$1,655,670
Interest on invested funds	0
Land Sale Proceeds	0
Other	0
Total	\$1,655,670

The City anticipates providing financial assistance on a pay-as-you-go basis for TIF-eligible expenses related to the proposed development. As tax increments are collected from the TIF District in future years, a portion of these taxes will be used by the City to reimburse the developer/owner for public costs incurred (see Section J).

The City reserves the right to finance any or all public costs of the TIF District using pay-as-you-go assistance, internal funding, general obligation or revenue debt, or any other financing mechanism authorized by law. The City also reserves the right to use other sources of revenue legally available for the Development District to pay for such costs including, but not limited to, special assessments, utility revenues, federal or state funds, and investment income.

The City reserves the right to pool tax increment from the TIF District to assist in financing other affordable housing projects within the City.

Section L Estimated Amount of Bonded Indebtedness

The maximum principal amount of bonds (as defined in the TIF Act) secured in whole or part with tax increment from the TIF District is \$1,655,670. The City currently plans to finance the public improvements and affordable housing costs in the form of a pay-as-you go revenue note as reimbursement to the developer for certain TIF-eligible expenses. The City reserve the right to issue bonds in any form, including without limitation any interfund loan with interest not to exceed the maximum permitted under Section 469.178, subd. 7 of the TIF Act.

Section M Original Net Tax Capacity

The County Auditor shall certify the original net tax capacity of the TIF District. This value will be equal to the total net tax capacity of all property in the TIF District as certified by the State Commissioner of Revenue. For districts certified between January 1 and June 30, inclusive, this value is based on the previous assessment year. For districts certified between July 1 and December 31, inclusive, this value is based on the current assessment year.

The Estimated Market Value of all property within the TIF District as of January 2, 2021, for taxes payable in 2022, is estimated to be \$3,061,600. Upon establishment of the TIF District, and subsequent classification of property to a residential rental property with a classification rate of 1.25%, it is estimate that the original net tax capacity of the District will be approximately \$38,270.

Each year the County Auditor shall certify the amount that the original net tax capacity has increased or decreased as a result of:

- (1) changes in the tax-exempt status of property;
- (2) reductions or enlargements of the geographic area of the TIF District;
- (3) changes due to stipulation agreements or abatements; or
- (4) changes in property classification rates.

Section N Original Tax Capacity Rate

The County Auditor shall also certify the original tax capacity rate of the TIF District. This rate shall be the sum of all local tax rates that apply to property in the TIF District. This rate shall be for the same taxes payable year as the original net tax capacity.

In future years, the amount of tax increment generated by the TIF District will be calculated using the lesser of (a) the sum of the current local tax rates at that time or (b) the original tax capacity rate of the TIF District.

The final sum of all local tax rates that apply to property in the TIF District, for taxes levied in 2021 and payable in 2022, is not available at the time of drafting of this TIF Plan. The County Auditor shall certify the amount for taxes payable 2022 as the original tax capacity rate of the TIF District once available. For purposes of estimating the tax increment generated by the TIF District we have utilized the final tax rates for taxes levied in 2020 and payable in 2021 resulting in an estimated certified tax rate for the district for taxes levied in 2020 and payable in 2022 of 123.839% as shown below.

<u>Taxing Jurisdiction</u>	<u>Final 2020/2021 Local Tax Rate</u>
City of Willmar	40.841%
Kandiyohi County	58.425%
ISD #345	22.402%
Other	<u>2.171%</u>
Total	123.839%

Section O Projected Retained Captured Net Tax Capacity and Projected Tax Increment

Each year the County Auditor shall determine the current net tax capacity of all property in the TIF District. To the extent that this total exceeds the original net tax capacity, the difference shall be known as the captured net tax capacity of the TIF District.

The County Auditor shall certify to the City the amount of captured net tax capacity each year. The City may choose to retain any or all of this amount. It is the City's intention to retain 100% of the captured net tax capacity of the TIF District. Such amount shall be known as the retained captured net tax capacity of the TIF District.

Exhibit III gives a listing of the various information and assumptions used in preparing a number of the exhibits contained in this TIF Plan, including Exhibit IV which shows the projected tax increment generated over the anticipated life of the TIF District.

Section P Use of Tax Increment

Each year the County Treasurer shall deduct 0.36% of the annual tax increment generated by the TIF District and pay such amount to the State's General Fund. Such amounts will be appropriated to the State Auditor for the cost of financial reporting and auditing of tax increment financing information throughout the state. Exhibit III shows the projected deduction for this purpose over the anticipated life of the TIF District.

The City has determined that it will use 100% of the remaining tax increment generated by the TIF District for any of the following purposes:

- (1) pay for the estimated public costs of the TIF District (see Section J) and County administrative costs associated with the TIF District (see Section S);
- (2) pay principal and interest on one or more pay-as-you-go notes, tax increment bonds or other bonds issued to finance the estimated public costs of the TIF District;
- (3) accumulate a reserve securing the payment of tax increment bonds or other bonds issued to finance the estimated public costs of the TIF District;
- (4) pay all or a portion of the county road costs as may be required by the County Board under Minnesota Statutes section 469.175, subdivision 1a;
- (5) pool tax increment for other affordable housing projects; or
- (6) return excess tax increments to the County Auditor for redistribution to the City, County and School District.

Tax increments from property located in one county must be expended for the direct and primary benefit of a project located within that county, unless the county board involved waives this requirement. Tax increments shall not be used to circumvent levy limitations applicable to the City.

Tax increment derived from the TIF District must be used solely to finance the cost of housing projects (including administrative expenses and public improvement costs) as defined in section 469.174, subdivision 11 of the TIF Act and subject to the requirements set forth in section 469.1761 of the TIF Act.

Tax increment shall not be used to finance the acquisition, construction, renovation, operation, or maintenance of a building to be used primarily and regularly for conducting the business of a municipality, county, school district, or any other local unit of government or the State or federal government. Further, tax increments may not be used to finance: a commons area used as a public park; facilities used for social or recreational purposes (whether public or private); or publicly-owned facilities used for conference purposes; provided that tax increment may be used for a privately-owned conference facility, and for parking structures whether public or privately owned and whether or not they are ancillary to one of the otherwise prohibited uses described above.

If there exists any type of agreement or arrangement providing for the developer, or other beneficiary of assistance, to repay all or a portion of the assistance that was paid or financed with tax increments, such payments shall be subject to all of the restrictions imposed on the use of tax increments. Assistance includes sale of property at less than the cost of acquisition or fair market value, grants, ground or other leases at less than fair market rent, interest rate subsidies, utility service connections, roads, or other similar assistance that would otherwise be paid for by the developer or beneficiary.

Section Q Excess Tax Increment

Beginning with the sixth year after certification of the TIF District, any year in which the tax increments from the TIF District exceed the amount necessary to pay the estimated public costs authorized by the TIF Plan, the City shall use the excess tax increments to:

- (1) prepay any outstanding tax increment bonds;
- (2) discharge the pledge of tax increments thereof;
- (3) pay amounts into an escrow account dedicated to the payment of the tax increment bonds;
- (4) pool tax increment for other affordable housing projects; or
- (5) return excess tax increments to the County Auditor for redistribution to the City, County and School District. The County Auditor must report to the Commissioner of Education the amount of any excess tax increment redistributed to the School District within 30 days of such redistribution.

Section R Tax Increment Pooling and the Five-Year Rule

As permitted under Minnesota Statutes section 469.1763, subdivision 2(b) and subdivision 3(a)(5), any expenditures of increment from the TIF District to pay the cost of a “housing project” as defined in Minnesota statutes section 469.174, subdivision 11 will be treated as an expenditure within the district for the purposes of the “pooling rules” and the “five-year rule”. The City may expend tax increments outside the TIF District (including allowable administrative expenses), and such expenditures are expressly authorized in this TIF Plan.

Section S Limitation on Administrative Expenses

Administrative expenses are defined as all costs of the City other than:

- (1) amounts paid for the purchase of land;
- (2) amounts paid for materials and services, including architectural and engineering services directly connected with the proposed development within the TIF District;
- (3) relocation benefits paid to, or services provided for, persons or businesses residing or located within the TIF District; or
- (4) amounts used to pay interest on, fund a reserve for, or sell at a discount, tax increment bonds.

Administrative expenses include amounts paid for services provided by bond counsel, fiscal consultants, planning or economic development consultants, and actual costs incurred by the County in administering the TIF District. Tax increments may be used to pay administrative expenses of the TIF District up to the lesser of (a) 10% of the total tax increment expenditures authorized by the TIF Plan or (b) 10% of the total tax increments received by the District.

Section T Limitation on Property Not Subject to Improvements - Four Year Rule

If after four years from certification of the TIF District no demolition, rehabilitation, renovation, or qualified improvement of an adjacent street has commenced on a parcel located within the TIF District, then that parcel shall be excluded from the TIF District and the original net tax capacity shall be adjusted accordingly. Qualified improvements of a street are limited to construction or opening of a new street, relocation of a street, or substantial reconstruction or rebuilding of an existing street. The City must submit to the County Auditor, by February 1 of the fifth year, evidence that the required activity has taken place for each parcel in the TIF District.

If a parcel is excluded from the TIF District and the City or owner of the parcel subsequently commences any of the above activities, the City shall certify to the County Auditor that such activity has commenced, and the parcel shall once again be included in the TIF District. The County Auditor shall certify the net tax capacity of the parcel, as most recently certified by the Commissioner of Revenue, and add such amount to the original net tax capacity of the TIF District.

Section U Estimated Impact on Other Taxing Jurisdictions

Exhibit V shows the estimated impact on other taxing jurisdictions if the maximum projected retained captured net tax capacity of the TIF District was hypothetically available to the other taxing jurisdictions. The City believes that there will be no adverse impact on other taxing jurisdictions during the life of the TIF District since the proposed development would not have occurred without the establishment of the TIF District and the provision of public assistance. A positive impact on other taxing jurisdictions will occur when the TIF District is decertified, and the development therein becomes part of the general tax base.

The fiscal and economic implications of the proposed TIF District, as pursuant to Minnesota Statutes section 469.175, subdivision 2, are listed below.

1. The total amount of tax increment that will be generated over the life of the TIF District is estimated to be \$1,661,655.
2. To the extent the project in the TIF District generates any public cost impacts on City-provided services such as police and fire protection, public infrastructure, and the impact of any general obligation tax increment bonds attributable to the district upon the ability to issue other debt for general fund purposes, such costs will be levied upon the taxable net tax capacity of the City, excluding that portion captured by the TIF District. The City does not plan to issue bonds but reserves the right to the use of internal financing and pay-as-you-go reimbursement financing, as necessary, to finance a portion of the project costs attributable to the TIF District.
3. The amount of tax increments over the life of the TIF District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is estimated to be \$300,587
4. The amount of tax increments over the life of the TIF District that would be attributable to County levies, assuming the County's share of the total local tax rate for all taxing jurisdictions remained the same is estimated to be \$783,939.
5. No additional information has been requested by the County or school district that would enable it to determine additional costs that will accrue to it due to the development proposed for the TIF District.

Section V Prior Planned Improvements

The City shall accompany its request for certification to the County Auditor (or notice of district enlargement), with a listing of all properties within the TIF District for which building permits have been issued during the 18 months immediately preceding approval of the TIF Plan. The County Auditor shall increase the original net tax capacity of the TIF District by the net tax capacity of each improvement for which a building permit was issued.

There have been no building permits issued in the last 18 months in conjunction with any of the properties within the TIF District.

Section W Development Agreements

If within a project containing a housing district, more than 10% of the acreage of the property to be acquired by the City is purchased with tax increment bonds proceeds (to which tax increment from the property is pledged), then prior to such acquisition, the City must enter into an agreement for the development of the property. Such agreement must provide recourse for the City should the development not be completed.

The City anticipates entering into an agreement for development with the proposed developer but does not anticipate acquiring any property located within the TIF District.

Section X Assessment Agreements

The City may, upon entering into a development agreement, also enter into an assessment agreement with any person, which establishes a minimum market value of the land and improvements for each year during the life of the TIF District.

The assessment agreement shall be presented to the County or City Assessor who shall review the plans and specifications for the improvements to be constructed, review the market value previously assigned to the land and, so long as the minimum market value contained in the assessment agreement appears to be an accurate estimate, shall certify the assessment agreement as reasonable. The assessment agreement shall be filed for record in the office of the County Recorder of each county where the property is located. Any modification or premature termination of this agreement must first be approved by the City, County and School District.

The City may enter into an assessment agreement.

Section Y Modifications of the Tax Increment Financing Plan

Any reduction or enlargement in the geographic area of the Project Area or the TIF District; increase in the amount of bonded indebtedness to be incurred; increase in the amount of capitalized interest; increase in that portion of the captured net tax capacity to be retained by the City; increase in the total estimated capital and administrative costs; or designation of additional property to be acquired by the City shall be approved only after satisfying all the necessary requirements for approval of the original TIF Plan. This paragraph does not apply if:

- (1) the only modification is elimination of parcels from the TIF District; and
- (2) the current net tax capacity of the parcels eliminated equals or exceeds the net tax capacity of those parcels in the TIF District's original net tax capacity, or the City agrees

that the TIF District's original net tax capacity will be reduced by no more than the current net tax capacity of the parcels eliminated.

The City must notify the County Auditor of any modification that reduces or enlarges the geographic area of the TIF District. The geographic area of the TIF District may be reduced but not enlarged after five years following the date of certification.

Section Z Administration of the Tax Increment Financing Plan

Upon adoption of the TIF Plan, the City shall submit a copy of such plan to the Minnesota Department of Revenue and the Office of the State Auditor. The City shall also request that the County Auditor certify the original net tax capacity and net tax capacity rate of the TIF District. To assist the County Auditor in this process, the City shall submit copies of the TIF Plan, the resolution establishing the TIF District and adopting the TIF Plan, and a listing of any prior planned improvements. The City shall also send the County Assessor any assessment agreement establishing the minimum market value of land and improvements in the TIF District and shall request that the County Assessor review and certify this assessment agreement as reasonable.

The County shall distribute to the City the amount of tax increment as it becomes available. The amount of tax increment in any year represents the applicable property taxes generated by the retained captured net tax capacity of the TIF District. The amount of tax increment may change due to development anticipated by the TIF Plan, other development, inflation of property values, or changes in property classification rates or formulas. In administering and implementing the TIF Plan, the following actions should occur on an annual basis:

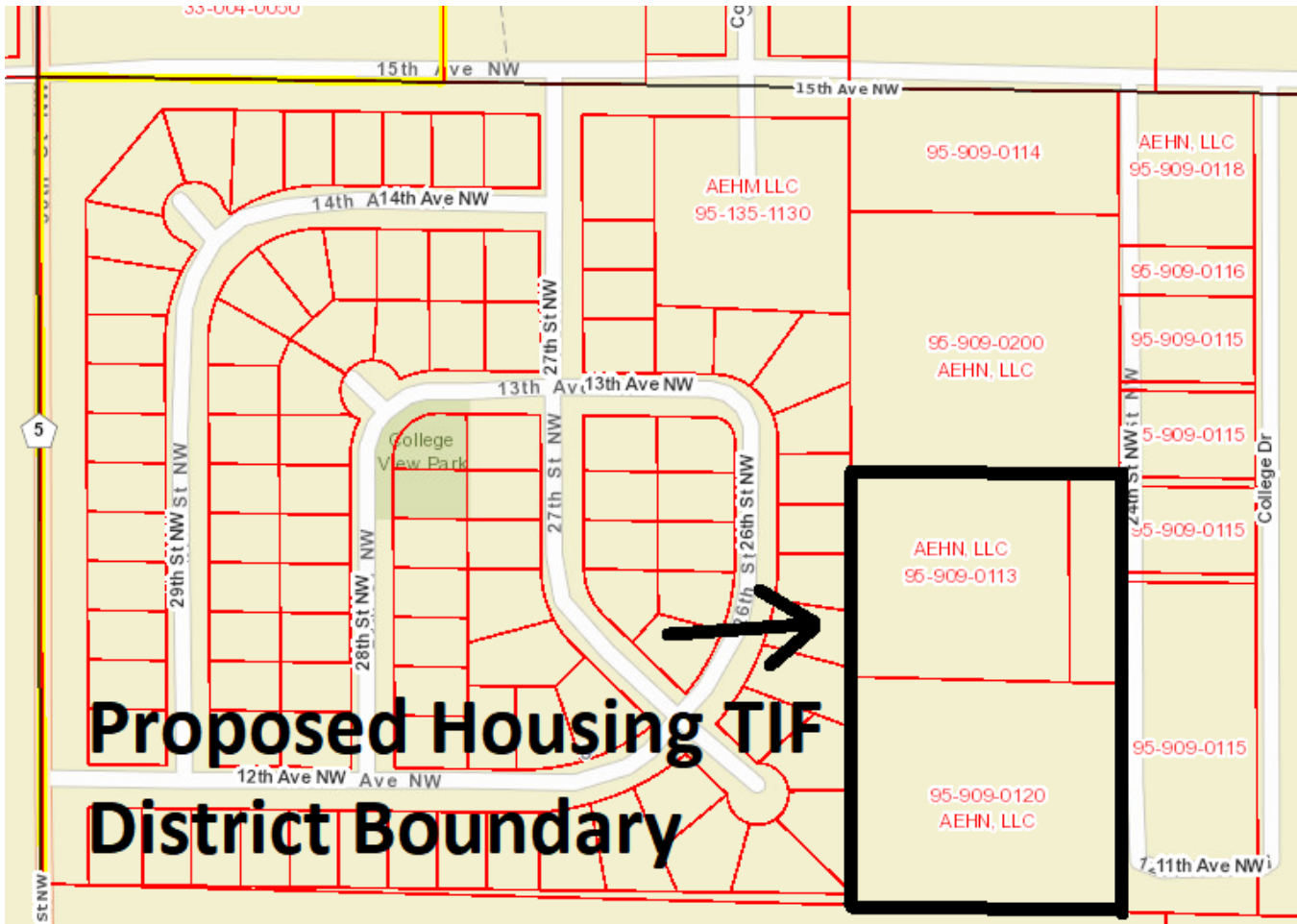
- (1) prior to July 1, the City shall notify the County Assessor of any new development that has occurred in the TIF District during the past year to ensure that the new value will be recorded in a timely manner.
- (2) if the County Auditor receives the request for certification of a new TIF District, or for modification of an existing TIF District, before July 1, the request shall be recognized in determining local tax rates for the current and subsequent levy years. Requests received on or after July 1 shall be used to determine local tax rates in subsequent years.
- (3) each year the County Auditor shall certify the amount of the original net tax capacity of the TIF District. The amount certified shall reflect any changes that occur as a result of the following:
 - (a) the value of property that changes from tax-exempt to taxable shall be added to the original net tax capacity of the TIF District. The reverse shall also apply;
 - (b) the original net tax capacity may be modified by any approved enlargement or reduction of the TIF District;
 - (c) if the TIF District is classified as an economic development district, then the original net tax capacity shall be increased by the amount of the annual adjustment factor; and
 - (d) if laws governing the classification of real property cause changes to the percentage of estimated market value to be applied for property tax purposes, then the resulting increase or decrease in net tax capacity shall be applied proportionately to the original net tax capacity and the retained captured net tax capacity of the TIF District.

The County Auditor shall notify the City of all changes made to the original net tax capacity of the TIF District.

Section AA Filing TIF Plan, Financial Reporting and Disclosure Requirements

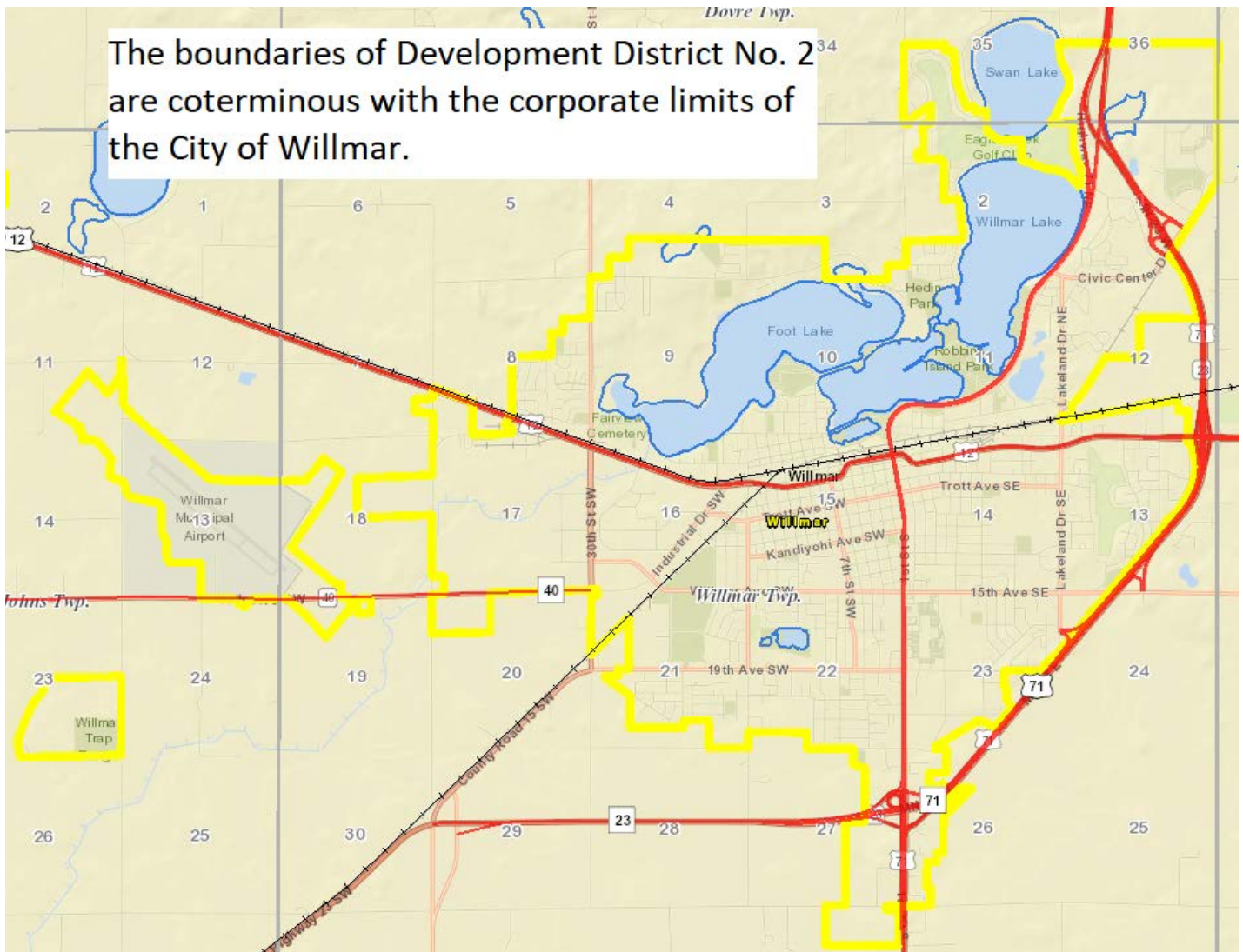
The City will comply with all reporting requirements for the TIF District under Minnesota Statutes section 469.175, subdivisions 5 and 6.

MAP OF PROPOSED TAX INCREMENT FINANCING (HOUSING) DISTRICT
Suite Liv'n Ridgewater Site Housing Development Project



MAP OF DEVELOPMENT DISTRICT NO. 2

The boundaries of Development District No. 2 are coterminous with the corporate limits of the City of Willmar.



Assumptions Report

**City of Willmar, Minnesota
Tax Increment Housing District
Suite Liv'n Ridgewater Site
TIF Projections - 72-Units - \$100,000/Unit EMV**

Type of Tax Increment Financing District	Housing			
Maximum Duration of TIF District	25 years from 1st increment			
Projected Certification Request Date	07/06/21			
Decertification Date	12/31/38	(15 Years of Increment)		
	2021/2022			
Base Estimated Market Value	\$3,061,600			
Original Net Tax Capacity	\$38,270			
	Assessment/Collection Year			
	2021/2022	2022/2023	2023/2024	2024/2025
Base Estimated Market Value	\$3,061,600	\$3,061,600	\$3,061,600	\$3,061,600
Estimated Increase in Value - New Construction	0	0	7,156,200	7,156,200
Total Estimated Market Value	3,061,600	3,061,600	10,217,800	10,217,800
Total Net Tax Capacity	\$38,270	\$38,270	\$127,723	\$127,723
City of Willmar	40.841%			
Kandiyohi County	58.425%			
ISD #345	22.402%			
Other	2.171%			
Local Tax Capacity Rate	123.839%		2020/2021	
Fiscal Disparities Contribution From TIF District	0.0000%			
Administrative Retainage Percent (maximum = 10%)	10.00%			
Pooling Percent	0.00%			
Bonds	Note (Pay-As-You-Go)			
Bonds Dated	NA	Note Dated	02/01/23	
Bond Rate	NA	Note Rate	5.00%	
Bond Amount	NA	Note Amount	\$991,800	
Present Value Date & Rate	07/06/21	5.00%	PV Amount	\$1,043,776

Notes

Projections assume no future changes to classification rates and current tax rates remain constant.
Projections based on a projected per unit market value of \$100,000.
Projections assume 100% of units classified at standard 1.25% Rental Class Rate
Projections assume no market value inflation assumption.
Projections assume 100% construction in 2022.
Post Development MV includes existing building development on parcel 95-909-0120

Projected Tax Increment Report

City of Willmar, Minnesota
 Tax Increment Housing District
 Suite Liv'n Ridgewater Site
 TIF Projections - 72-Units - \$100,000/Unit EMV

Annual Period Ending (1)	Total Market Value (2)	Total Net Tax Capacity (3)	Less: Original Net Tax Capacity (4)	Retained Captured Net Tax Capacity (5)	Times: Tax Capacity Rate (6)	Annual Gross Tax Increment (7)	Less: State Aud. Deduction 0.360% (8)	Subtotal Net Tax Increment (9)	Less: City Retainage 10.00% (10)	Annual Net Revenue (11)
12/31/21	3,061,600	38,270	38,270	0	123.839%	0	0	0	0	0
12/31/22	3,061,600	38,270	38,270	0	123.839%	0	0	0	0	0
12/31/23	3,061,600	38,270	38,270	0	123.839%	0	0	0	0	0
12/31/24	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/25	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/26	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/27	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/28	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/29	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/30	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/31	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/32	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/33	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/34	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/35	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/36	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/37	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
12/31/38	10,217,800	127,723	38,270	89,453	123.839%	110,777	399	110,378	11,038	99,340
						\$1,661,655	\$5,985	\$1,655,670	\$165,570	\$1,490,100

Estimated Impact on Other Taxing Jurisdictions Report

City of Willmar, Minnesota
Tax Increment Housing District
Suite Liv'n Ridgewater Site
TIF Projections - 72-Units - \$100,000/Unit EMV

Taxing Jurisdiction	Without Project or TIF District		With Project and TIF District					
	Final 2020/2021 Taxable Net Tax Capacity (1)	2020/2021 Local Tax Rate	2020/2021 Taxable Net Tax Capacity (1)	Projected Retained Captured Net Tax Capacity +	New Taxable Net Tax Capacity =	Hypothetical Adjusted Local Tax Rate (*)	Hypothetical Decrease In Local Tax Rate (*)	Hypothetical Tax Generated by Retained Captured N.T.C. (*)
City of Willmar	15,019,787	40.841%	15,019,787	\$89,453	15,109,240	40.599%	0.242%	36,317
Kandiyohi County	58,843,104	58.425%	58,843,104	89,453	58,932,557	58.336%	0.089%	52,183
ISD #345	25,702,984	22.402%	25,702,984	89,453	25,792,437	22.324%	0.078%	19,970
Other	-	2.171%	-	-	-	2.171%	-	-
Totals		123.839%				123.431%	0.408%	

*** Statement 1:** If the projected Retained Captured Net Tax Capacity of the TIF District was hypothetically available to each of the taxing jurisdictions above, the result would be a lower local tax rate (see Hypothetical Adjusted Tax Rate above) which would produce the same amount of taxes for each taxing jurisdiction. In such a case, the total local tax rate would decrease by 0.408% (see Hypothetical Decrease in Local Tax Rate above). The hypothetical tax that the Retained Captured Net Tax Capacity of the TIF District would generate is also shown above.

Statement 2: Since the projected Retained Captured Net Tax Capacity of the TIF District is not available to the taxing jurisdictions, then there is no impact on taxes levied or local tax rates.

(1) Taxable net tax capacity = total net tax capacity - captured TIF - fiscal disparity contribution, if applicable.

(2) The impact on these taxing jurisdictions is negligible since they represent only 1.75% of the total tax rate.